

## REMARKS

### I. Prosecution History.

Claims 1-30 were originally submitted for examination with filing of the present patent application and remain pending. Claims 1-6, 12-14, 16-21, 26-28 and 30 stand rejected by the Examiner under 35 U.S.C. §102(b) as being anticipated by US patent no. 5,895,96 (herein referred to as "*Danielson*"). Claims 7-11, 15, 22-25, and 29 stand rejected under §103(a) as being unpatentable over *Danielson* in view of U.S. Patent No. 5,739,512 (herein referred to as "*Tognazzini*")

In response, the applicant has cancelled claims 2, 4, 17-19, 26-30, has amended claims 1, 3, 5-10, 12-13, 16, and 20, and added new claims 31-40. Thus, claims 1, 3, 5-16, 20-25 and 31-40 are now being presented for further examination. Reconsideration of the application and the claims is respectfully requested.

### II. Features of the Invention Summarized.

The inventor of the present invention believes that freeing a point of sale from a wired, fixed location can increase mobility and efficiency for retail and entertainment establishments, credit card holders and credit card companies. The present invention solves limitations associated with wired point of sale credit card processing and devices, which were in general use for processing consumer credit card transactions as of the filing of the present patent application.

A reading of the present application, the claims as now amended, and new claims 31-40, will bring those skilled in the art to the understand and appreciate that the present invention adapts wireless hand held devices, such as a personal digital assistance (PDA), for use in physically reading and processing a credit card in support of a sale to a customer at a point of sale that can now be considered "wireless." Specific, unanticipated, nonobvious, steps are now provided in the claims in support of the inventor's credit card processing system and methods. Additionally, the present invention includes methods that enable physical and electronic rendering customer receipts with systems through networks at the request provided wirelessly at the request of the wireless hand held

device, or based on customer requests/profiles stored in the server or credit card.

One important feature of the present invention is that the wireless point of sale is a handheld computer, such as a PDA, adapted with a consumer credit card reading module to physically receive and read a standard consumer credit card (or bank card) and electronically process a consumer financial transaction through communication with wireless data networks.

Another important feature of the present invention is that the handheld computer can provide personal data management functions as well as credit card processing capabilities.

Yet another important feature of the present invention is that wireless devices can coordinate delivery of email receipts to cardholder's email box following a credit card transaction.

Public data networks and servers (e.g., telecommunications provider equipment) can be utilized to support secure credit card processing methods for remote (unwired) points of sales.

Applicant's claims as amended fully support the above-described methods and capabilities and are supported by the extensive specification submitted by Applicant.

**III. Rejection of Claims 1-6, 12-14, 16-21, 26-28 and 30 under 35 U.S.C. §102(b) as being anticipated by *Danielson*.**

**Requirements for *Prima Facie* Anticipation**

The Commissioner of Patents and Trademarks, acting through examining officials, bears the initial duty of supplying the factual basis supporting a rejection of a patent application, including a rejection based on anticipation. *In re Warner*, 379 F.2d 1011, 154 USPQ 173, 178 (C.C.P.A. 1967), *cert. denied*, 389 U.S. 1057 (1968). The courts have interpreted this initial duty as placing on the Commissioner and the examiner the burden of presenting a *prima facie* case of anticipation. *See In re King*, 801 F.2d 1324, 1327, 231 USPQ 136, 138-39 (Fed. Cir. 1986); *In re Wilder*, 429 F.2d 447, 450, 166 USPQ 545, 548 (C.C.P.A. 1970). As stated by the Board in *In re Skinner*, 2 USPQ 2d 1788, 1788-9 (B.P.A.I. 1986), "[i]t is by now well settled that the burden of establishing a *prima facie*

case of anticipation resides with the Patent and Trademark Office."

A general definition of *prima facie* unpatentability is provided at 37 C.F.R.

§1.56(b)(2)(ii):

A *prima facie* case of unpatentability is established when the information *compels a conclusion* that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving each term in the claim its broadest reasonable construction consistent with the specification, and before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability. (emphasis added)

"Anticipation requires the disclosure in a single prior art reference of each element of the claim under consideration." *W.L. Gore & Associates v. Garlock, Inc.*, 721 F.2d 1540, 220 USPQ 303, 313 (Fed. Cir. 1983) (citing *Soundsciber Corp. v. United States*, 360 F.2d 954, 960, 148 USPQ 298, 301 (Ct. Cl.), *adopted*, 149 USPQ 640 (Ct. Cl. 1966)), *cert. denied*, 469 U.S. 851 (1984). Thus, to anticipate the applicant's claims, *Tamaya* must disclose each element recited therein. "There must be no difference between the claimed invention and the reference disclosure, as viewed by a person of ordinary skill in the field of the invention." *Scripps Clinic & Research Foundation v. Genentech, Inc.*, 927 F.2d 1565, 18 USPQ 2d 1001, 1010 (Fed. Cir. 1991).

To overcome the anticipation rejection, the applicant need only demonstrate that not all elements of a *prima facie* case of anticipation have been met, *i. e.*, show that *Tamaya* fails to disclose every element in each of the applicants' claims. "If the examination at the initial state does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent." *In re Oetiker*, 977 F.2d 1443, 24 USPQ 2d 1443, 1444 (Fed. Cir. 1992).

#### **Application of Anticipation Requirements**

With respect to the rejection of independent claims 1, the Examiner cites *Danielson et al* to support the proposition that the aforementioned reference describes a wireless point of sale in the form of a wireless hand held device adapted to "authorize credit card transactions."

In actuality, *Danielson* teaches a wireless device that can accept a "credit card-like data card" for purposes of retrieving data used to authenticate a user's signature. A

template is stored and retrieved from the memory borne by the card and is used by the hand held device to authenticate a user. *Danielson* is devoid of details related to processing consumer credit card transactions following a sale to a customer at a point of sale. The closest *Danielson* gets to explaining a financial transaction is with regard to placing bets at a horse racing venue. Applicant's invention is specifically tailored for use in the field of processing credit cards for payment of purchases by customer using a wireless point of sale. The *Danielson* patent does not describe methods of processing credits cards for payment of a sale to a customer. Applicant has amended his claims to better specify what is patentable over *Danielson*. For example, claim 1 now reads as follows:

1. A method enabling an establishment employee to process a sale to a customer including obtaining credit card-related data from a customer through a wireless hand held device, said method comprising the steps of:

entering economic data associated with a sale to a customer into the wireless hand held device;

reading credit card data from a credit card provided to the establishment employee by the customer utilizing a credit card reader integrated with the wireless hand held device, wherein the credit card reader is adapted to obtain information directly from the credit card and convert it to electronic credit card data;

permitting the customer to provide a signature to the wireless hand held device through a touch screen display integrated with said wireless hand held device; and

transferring the economic and electronic credit card data from the wireless hand held device through a wireless communication network to a remote server authorized by the customer's bank to authorize economic transactions by the customer.

New claim 16 reads as follows:

16. A system for processing credit card data through a wireless hand held device, said system comprising:

credit card reading module for reading credit card data from a credit card utilizing a credit card reader integrated with a wireless hand held device; and

electronic signature module for physically permitting a credit card holder to input an

electronic signature through a touch screen display integrated with said wireless hand held device for use in authorizing a credit card transaction associated with said credit card;

wireless communications module for transferring said credit card data from said wireless hand held device over a wireless network to remote server associated with a credit card company authorized to approve credit card transactions;

conversion module for converting a physical signature of a credit card holder to an electronic signature.

*Danielson* does not describe elements in support of systems, methods for processing a credit card for payment following a sale to a customer.

Claims 3, 5-15 depend from Claim 1. Claims 20-25 depend from claim 16. These dependent claims are allowable following the amendments to claims 1 and 16, which are now believed to place claims 1 and 16 in condition for allowance. Claims 3, 5-10, 12-13, and 20 have been amended for additional clarity and for consistency the amendments to claim 1 and 16.

Applicant respectfully asserts that claims 1, 3, 5-10, 12-13, 16, and 20-25 are now in condition for allowance. Applicant, therefore respectfully request reconsideration of claims 1, 3, 5-10, 12-13, 16, and 20-25.

**IV. Rejection of Claims 7-11, 15, 22-25, and 29 under §103(a) as being unpatentable over *Danielson* in view of *Tognazzini*.**

**Requirements for *Prima Facie* Obviousness.**

The obligation of the examiner to go forward and produce reasoning and evidence in support of obviousness is clearly defined at M.P.E.P. §2142:

The examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. If the examiner does not produce a *prima facie* case, the applicant is under no obligation to submit evidence of nonobviousness.

M.P.E.P. §2143 sets out the three basic criteria that a patent examiner must satisfy to establish a *prima facie* case of obviousness:

1. some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings;
2. a reasonable expectation of success; and
3. the teaching or suggestion of all the claim limitations by the prior art reference (or references when combined).

It follows that in the absence of such a *prima facie* showing of obviousness by the examiner (assuming there are no objections or other grounds for rejection), an applicant is entitled to grant of a patent. *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443 (Fed. Cir. 1992).

Thus, in order to support an obviousness rejection, the Examiner is obliged to produce evidence compelling a conclusion that each of the three aforementioned basic criteria has been met.

**Application of the Obviousness Requirements to Claims 7-10, and 22-25 in view of independent Claims 1 and 16.**

Claims 7-10 are dependent on claim 16, and claims 22-25 are dependent on claim 16. Applicant respectfully maintains that the rejection of claims fails under the third prong of the obviousness test because, for the reasons subsequently discussed *infra*, *Danielson*, either alone or in combination with *Tognazzini*, fails to teach or suggest all of the limitations set out in independent Claims 1 and 16. Claims 1 and 16 are independent claims and have been amended to read more particular on key aspect of applicant's invention, elements that cannot be found in *Danielson*:

Applicant contends that the rejections also fail to satisfy the first prong because, in view of the objectives and teachings of the references, there is no motivation or suggestion to combine any of the cited references to provide the functionality and benefits provided by a wireless point of sale adapted to process credit cards for approval

for payment of a sale to a customer as claim in claims 1 and 16, and to provide a record of the credit card transaction to a printer, or email associated with the customer as provided for in Claims 7-11, 22-25. In this regard, the teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in the applicants' disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

Moreover, 35 U.S.C. §103(a) states that:

[a] patent may not be obtained . . . if the differences between the between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

It is thus improper for the Examiner to formulate the suggestion or motivation to combine prior art references based on current knowledge. As stated by the Federal Circuit Court in the opinion of *In re Fritch*, 972 F.2d 1260, 23 USPQ 2d 1780, 1784 (Fed. Cir. 1992) (quoting *In re Fine*, 837 F.2d 1071, 1075, 5 USPQ 2d 1596, 1600 (Fed. Cir. 1988):

The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification. [The prior art fails] to suggest any motivation for, or desirability of, the changes espoused by the Examiner and endorsed by the Board.

Here the Examiner relied upon hindsight to arrive at the determination of obviousness. It is impermissible to use the claimed invention as an instruction manual or 'template' to piece together the teachings of the prior art so that the claimed invention is rendered obvious. This court has previously stated that '[o]ne cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention.'

The foregoing comprises a caution against piecing together disparate and unrelated disclosures found in the prior art to meet a claimed structure, in the absence of any suggestion in the references implying the desirability of doing so. The applicants respectfully assert that, in view of the aforementioned guideline, combining *Danielson* with *Tognazzini* is improper and, therefore, a *prima facie* case of obviousness against Claims 1 and 16 cannot be established.

**Application of the Obviousness Requirements to the Rejection of Claims 1- and 16-29 and 31.**

The Examiner rejected dependent Claims 13, 16-29 and 31 under 35 U.S.C. §103(a) as being obvious over *Tayama* in view of *Irvin*. Claims 13-19, 22, 25-32 have been amended to provide clarification and in light of the amendments to independent claims 15 and 30.

Claims 13, 16-29 depend from Claim 15, and claims 31 and 32 depend from claim 30. Applicant believes that Claims 15 and 30 are patentable over *Tayama* for the reasons discussed *supra*. Therefore, Applicant respectfully asserts that claims 13, 16-29 and 31 are allowable because they depend from allowable independent Claims 15 and 30. Applicant, therefore traverses the rejection of claims 13, 16-29 and 31 and respectfully requests their reconsideration.

**IV. The addition of new dependent claims 31-40.**

Applicant has added new claims 31-40 to the present case. No new matter has been added with the addition of claims. Claims 32-40 ultimately depend on independent Claim 31, which is directed to credit card sales transaction processing. Therefore, Applicant believes that the new Claims 31-40 are also patentable over *Danielson and Tognazzni* for the reasons discussed *supra*. Applicant, therefore, respectfully request that new claims 31-4 be considered for allowance by the Examiner.

**V. Other art – Ziamo, Danielson '947, and Danielson '614.**

Applicant notes the examiner's reference to the *Ziamo* and *Danielson* references. Applicant does not believe the references bear negatively on the allowability or patentability of his invention in light of the amendments and remarks made *supra*.



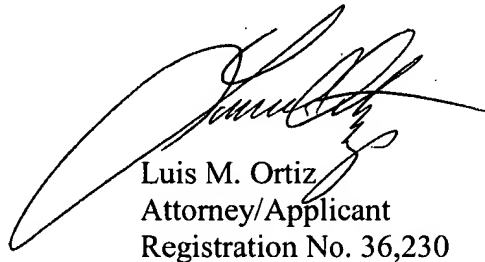
## VI. Conclusion

In view of the foregoing remarks, the applicant submits that his Claims are patentably distinct over the references and are now in allowable form. Accordingly, the applicant earnestly solicits the favorable consideration of his application, and respectfully request that it be passed to issue in its present condition.

Should the Examiner discern any remaining impediment to the prompt allowance of the aforementioned claims that might be resolved or overcome with the aid a telephone conference, he is cordially invited to call the undersigned at the telephone number set out below.

Respectfully submitted,

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